

## LETTER OF INTENT

This Letter of Intent made and entered into this \_\_\_\_ day of January, 2010 by and between Louisville/Jefferson County Metro Government, acting by and through its Department of Housing and Family Services, Housing and Community Development Division, whose address is 745 West Main Street, Suite 300, Louisville, Kentucky 40202, hereinafter referred to as "Metro", and The Housing Partnership, Inc., a Kentucky Non-Profit corporation, whose address is 333 Guthrie Green, Suite 404, Louisville, Kentucky 40202, hereinafter referred to as "HPI".

Whereas, Metro is the recipient of a grant in the amount of \$3,502,275.00 (the "Grant") from the Commonwealth of Kentucky pursuant to and through the Federal Neighborhood Stabilization Program ("NSP"); and

Whereas, Metro desires to use Grant to develop up to Fifty-two single family houses for the Boxelder Road Redevelopment Project (the "Project") located in the Shagbark-Shanks Lane area; and

Whereas, the NSP Grant has stringent requirements as to allowable uses for the funds and a deadline for expending all of the funds by June 30, 2012; and

Whereas, Metro's Department of Finance has determined that HPI is to be the Sole Source developer for the Project;

### NOW, THEREFORE, IT IS INTENDED AS FOLLOWS:

1. Metro shall provide up to \$3,335,500.00 of Grant funds to HPI for the acquisition, demolition, subdividing, and infrastructure of the Project. Metro shall make additional funds available to HPI during the term of the Project from its Down Payment Assistance Program.
2. After Metro acquires the Project sites, title will be transferred to HPI who will demolish the structures located thereon, re subdivide the acquired properties into up to fifty-two single family lots, construct the infrastructure for the re subdivided lots, obtain financing for and construct single family homes on the lots and market them to low-, moderate-, and middle income households (households whose income is at or below 120 percent of area median income).
3. HPI for its aforesaid services over the life of the Project will be paid from the funds provided by Metro in an amount not to exceed 15 percent of the Grant funds.
4. The parties shall enter into a detailed Memorandum of Agreement setting forth among other things, the Project Budget and the responsibilities and obligations of the respective parties in the development of the Project.
5. The parties hereto shall comply with all of the applicable regulations, terms and conditions contained in the Funding Agreement between the Commonwealth of Kentucky and Metro,

which Funding Agreement shall be incorporated by reference in the Memorandum of Agreement.

Witness the signatures of the parties hereto this \_\_\_\_ day of January, 2010.

Louisville/Jefferson County Metro Government,  
Acting by and through its Department of Housing and Family Services,  
Housing and Community Development Division

By: \_\_\_\_\_

Title: \_\_\_\_\_

The Housing Partnership, Inc.

By: \_\_\_\_\_

Title: \_\_\_\_\_